

## COFFEE CULTIVATION, Nepal Could Make Huge Gains

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Agriculture is the backbone of the national economy. About 57 percent of the population is involved in farming which contributes around 38 percent to the GDP. Nepal's agriculture has taken a step forward by going commercial recently.

Among the cash crops cultivated in Nepal, coffee is a high value cash crop commercially grown in many parts of the country with environmental importance and is growing popular among the Nepalese since the last few decades. At present, coffee cultivation is spread in over two dozen districts of the mid hill regions. Coffee, a commercial crop, requires an exceptionally apposite geographic and climatic condition in the country.

"Wake up to the cheering cup" is the age-old adage that best describes the stimulating qualities of coffee, the classic beverage. Besides stimulation, moderate intake of coffee has proven to be playing a health protective role.

It is a beverage, not only because of the above qualities but also on account of its trade value. In the international trade of commodities, coffee occupies a place of pride next only to oil. Value of coffee sold / brought in the international market is estimated at about US\$ 130 billion in 2006/07. Another virtue of coffee is that it is produced in about 50 developing countries and is consumed mostly in the developed countries. It is not an exaggeration to say that the economies of many coffee producing countries depend on the earnings from this crop.

"There is a great potentiality for coffee cultivation in hills, due to suitable climate, topography, soil structure, relative humidity, temperature and rainfall," says Gyanendra Adhikari, president of Central Coffee Cooperative Union (CCU) Limited.

The ecological settings in the Himalayan hills provide Nepalese coffee an exceptional opportunity to enter international specialty markets. Coffee has been a major beverage throughout history and has become a source of everybody's interest in the present world too.

"Coffee is a relatively new crop. Therefore the entire sector chain from certified organic production, through quality processing and handling, to domestic and international marketing needs to be strengthened," says Pharsuram Acharya, managing director of CCU.

Moreover, over 80 per cent coffee is produced in Gulmi, Palpa, Argakhanchi, Lalitpur, Tanahu, Lamjung, Kaski, Gorkha, Syangja, Parbat, Myagdi. But some other districts of mid-hill such as Sindhupalchowk, Nuwakot, Kaski, Baglung, Kavre etc. are also successfully growing and producing coffee beans and have been increasing their productions year after year.

This will certainly help in diversifying production process and will increase the income of the farmers as well as other individuals involved in processing and marketing of coffee, says Acharya. Coffee is grown in small family farms under the shade in the north-faced hills.

The area of coffee plantation has reached 1285 hectares at present producing 391 metric tons of dry cherry. According to Nepal Tea and Coffee Development Board, the quantity of Coffee green bean exported in 2005/06 was 91500 KG. Nepal exports the coffee beans mostly to Japan, Korea, the USA, Germany, the Netherlands, Canada and other countries.

The major stakeholders working in the production, development, processing and marketing of coffee are: Central Coffee Cooperative Union Limited (CCU), National Coffee Producers Association (NCPA), Plantec Nepal Inc., Royal Everest Coffee Mills (P) Ltd., Highland Coffee, Department of Tea and Coffee Development and National Tea and Coffee Development Board (NTCDB).

"From the high country of Nepal, nestled in the Himalayans, this coffee has light body and excellent flavor. The amazing fact is that these unroasted coffee beans get out of Nepal by the way of pack animals out of

the port in India to Japan, Korea, the U.S and other countries where it is roasted in small batches," says Yubha Raj Acharya, manager of Gulmi Organic Coffee. Gulmi Organic Coffee was the only certified organic coffee in Nepal that has been exported to Japan, Korea and other European and American markets.

According to a report of District Cooperative Federation, the coffee farmers in the district are able to earn a considerable amount to sustain their life. "A coffee farmer earns at least 25 to 30 thousand Nepalese rupees per year from coffee," the report said. Besides this, they earned almost the same amount from inter-cropping in the coffee plantation areas, the report stated.

Sheshkanta Gautam, a coffee farmer, happily shared that he earned nearly 30 thousand Nepalese rupees from coffee last year. He told The Rising Nepal that so far no problems had been encountered in the marketing of coffee. The local cooperatives have been assisting to market the product.

Asked about the problems associated with organic farming, Gautam says that though organic farming was a troublesome and laborious task, it overwhelmed the farmers when they got high pay off.

The demand of Nepali organic coffee in the international market had gone up significantly in the last couple of years, said Adhikari. The commercial farming of coffee began only 25 years ago. Today, it is commercially grown in 23 districts that covers 1400 hectares of land, he added.

Acharya, who claims to be a forerunner in the organic campaign says that organic farming integrates wild biodiversity, agro biodiversity and soil conservation. At the same time it eliminated the use of chemical fertilizers, pesticides and genetically modified organisms (GMOs), which was not only an improvement for human health, but also for the fauna and flora associated with farm and farm environment. He said that the demand for the organic products was very high in the international market. "So, we should focus on organic production to sell it and get a good price in the international market," he added.

To increase productivity in coffee orchards through improved farming practices the systems with the development of internal control system for small farm certification should be carried out, he further says.

He pointed at some points to improve for the development of coffee in Nepal. The points included improved quality of coffee in the cup through adequate technology and quality management during harvesting, processing, packing and storage; improved marketing system including a common quality grading system, trade mark introduction, and exploration of market expansion at national and international level; strengthened governance and transparency in the sector through producer organization at local, district and national level, informal trader forum and coordination among stakeholders; development of local resource persons from among coffee producers as local service providers, etc.

"We are delighted to introduce organic coffee in the Himalayan Kingdom of Nepal. It is well known for its beautiful and highest mountains in the world. Our coffee is a specialty as it is the first-rate Arabica, shade grown, organically produced and sundried green beans from the Himalayas," adds Acharya. "It is 100% hand sorted and cleaned. Our coffee is produced by small farmers who are helping to sustain their livelihood of this backward region."

"The demand for Nepali coffee is ever growing, as 65 per cent of the total production is already being exported to the international markets like Japan, European Union, South Korea and the United States," says Binaya Kumar Mishra, executive director at the NTCDB.

According to NTCDB, Nepal has began exporting coffee from 2002, and it exported coffee worth approximately \$636,666 during the fiscal year 2006-07.

### **Coffee Saga**

Coffee history has early beginnings. There are several legends about how coffee was actually discovered, but one of the oldest is about a young Arabian goatherd named Kaldi from the southern tip of the Arabian Peninsula. It was around 850AD, and Kaldi one day noticed that when his goats ate a specific red berry from a dark green leafed shrub, the goats would dance and jump excitedly. Eventually curiosity got the better of him and he tried some and found he too had more energy. It is a wonderful legend despite some recent botanical evidence indicating that Arabica coffee actually originated in central Ethiopia. Anyway, the stories continue on that then the Monks also then tried the fruit but finding it so bitter threw it into the fire, where upon they smelt a wonderful aroma filling the air – it was the roasted beans. They took these roasted beans and created a brew that allowed them to stay awake during extended hours of prayer. A gift

from God they thought, and distributed them to other monasteries around the world. Coffee was born!

**Coffee Facts and Figures:**

- Specialty coffee is defined as a coffee that has no defects and has a distinctive flavor in the cup
- Specialty coffee, a term that refers to the highest quality green beans roasted by true craftspeople
- Coffee is second only to oil in terms of dollars trade worldwide
- Everyday, Americans drink more than 300 million cups of coffee; 75 % of those cups are homebrewed
- Like wine and honey, specialty coffee has a unique flavor
- To be considered truly fresh, coffee should be ground right before brewing and brewed within three to seven days of roasting
- The vast majority of the world's coffee is the Arabica species
- Coffee originated in Ethiopia
- The global coffee industry employs more than 20 million people
- It takes approximately 42 coffee beans to make an average serving